

2008

CHILD CARE BUDGET & POLICY PRIORITIES FULL REPORT



"Photo: Low Income Investment Fund (LIIF)/ Charlotte Fiorito
Project: Judith Baker Child Development Center"

Produced by Child Care Law Center in collaboration with Low Income Investment Fund, California Resource and Referral Network, the California Child Development Coalition, the California Child Development Corps, Parent Voices, the California Child Care Coordinators Association and the seventy three participants at our annual work group meeting.

CHILD CARE PRIORITIES FOR 2008

Overarching Theme

We must build an integrated birth to five early care and education system that is responsive to the needs of children and working families, ensuring that preschool efforts are integrated with and strengthen the existing early care and education system while simultaneously investing in building quality choices for our youngest children birth to three.

Legislative and Budget Priorities

- Maintain current funding levels and access to subsidized child care for children and families.
- Leverage current focus on importance of preschool to ensure entire early care and education system includes supports to address the needs of children 0-5.
- Ensure that Community Care Licensing is adequately funded and staffed to monitor current and future early childhood education licensed programs, and a reasonable trigger mechanism is developed.
- Build advocacy to re-fund the CARES program and to preserve AB 212 funding.
- Develop Child Care Facilities Revolving Fund regulations that are consistent with the intent of the statute.
- Provide support for increased inclusion of children with disabilities in child care.
- Support a balanced solution to the California budget crisis including raising revenue and eliminating the tax cuts of the last decade.

Planning Goals

- Use 2009 CCDF State Plan process to identify barriers for families, best practices, statewide goals, resources needed to ensure access and quality and ways to maximize use of current funds.
- Support planning efforts to make CDE Child Development Division and DSS data more accessible to the public.
- Increase program and contract flexibility to meet local needs and help eliminate barriers. Minimize burdensome administration through contract and regulatory reform.
- Revise regulations and contracts in order to streamline the subsidized system and give agencies more flexibility to reallocate funding to ensure maximum use of existing funding within each county.
- Ensure ongoing input and review from the child care field as the ECE teacher competencies, foundations and curriculum framework are developed.
- Reform the Standard Reimbursement Rate (SRR) and identify factors that unnecessarily complicate or bifurcate the reimbursement system.
- Determine the true cost of care, including administrative and facilities costs.
- Work on proposals to add preschool to the 2008 education facilities bond, ensuring the proposal is consistent with the needs of children, families and the early care and education system.

INTRODUCTION

In October 2007, the child care work group convened for its sixth annual meeting to continue the collaborative process that started in 2002. The goal is to bring people from different perspectives together to improve the early care and education system in California by starting with a vision of what is best for children and the child care system as a whole. Participants throughout the process have included staff from local resource and referral agencies, parents, local planning coordinators, both center based and family home child care providers, advocates, staff from the alternative payment programs, higher education faculty, labor, and other professionals. Legislative and agency staff also attended and took part in discussions in the focus areas. Diane Cummins, Chief Fiscal Policy Advisor to the President pro tempore of the State Senate was our keynote speaker and provided a clear outline of the overall budget and policy challenges we face and some ways to effectively advocate for children.

The Governor declared 2008 to be the year of education; the Superintendent cited preschool as one of the ways to close the achievement gap and Legislators continue to demonstrate a strong commitment to early care and education. However, it is also clear that the budget picture is bleak for the next two years. Given both the hope and the challenge, the Work Group this year made a directed effort to use the time to identify long-term and short-term goals. With this objective in mind, the participants broke into six small groups each with a different focus area. Through analysis, open discussion, and compromise, each group identified one long term goal and 2-5 short term goals. Then the entire work group reconvened to discuss and draw consensus on the work of the smaller focus groups. All participants had an opportunity to review the report by email. The co-sponsors formed a planning and review group that provided invaluable assistance to CCLC. However, the Child Care Law Center takes ultimate responsibility for the final integration and editing of this report.

Several overarching themes developed this year. Virtually every group discussed both how to integrate preschool into the early care and education system and how to improve access and quality for children 0-3. Several different groups also talked about ways to streamline the system through legislative, regulatory and administrative changes. Participants recognized the need for long-term planning and created several goals that encouraged planning at all levels. One important opportunity that was discussed was the 2009 State Plan that CDE must submit to the federal government in order to secure federal funding.

Participants also recognized and supported the need for maintaining and expanding current funding even in hard financial times. This included additional resources for Community Care Licensing, reauthorization of teacher and provider support programs like AB 212 and CARES and investment in both subsidies and inclusion of children with special needs.

This report outlines the collective vision developed by the group. This vision forms the basis for recommendations for 2008. It also provides a summary of the specific policy and planning priorities for 2008, followed by a more comprehensive list of priorities for each topic area.

EARLY CARE AND EDUCATION SYSTEM: PRINCIPLES AND VISION

California early care and education policy should:

Support strong families

- We cannot address early care and education in a vacuum; rather, we must see it as part of a set of policies to foster strong families. To flourish and be ready for school, children need caring and well-educated adults, adequate family income, good nutrition, health care, safe and nurturing environments, and high quality developmentally appropriate learning opportunities.
- To be effective, our policies must be comprehensive and must focus on the entire array of families' and children's needs. We must not delude ourselves into thinking that increased child care funding at the expense of funding for CalWORKs or other social services programs will benefit families.
- Parents are the experts on their children and must be involved in their children's education; be given real choices including a variety of out of home care settings and paid family leave; be supported as parents, and be consulted and considered in the federal, state and local budget and policy development process.

Ensure that children learn while parents earn

- Child care is not only a means of enabling parents to work or participate in education, job training or other programs; it also must enable children to flourish, to be ready for school, and to reach their full potential. All children including those in low income families deserve access to high quality programs. Research shows that early care and education centers in low-income California communities offer high-quality care, as does our network of family child care programs. We should support policies that maintain an integrated system supporting both goals and continue to increase access to high quality programs.

Provide adequate resources for early care and education

- It is estimated that over 280,000 families who are eligible for subsidies are on waiting lists; at the same time, our early care and education work force is sorely underpaid. We need additional resources for facilities and infrastructure and to improve quality. New initiatives should not rob current programs whose effectiveness is proven; rather we need to add resources to the entire system.

Make quality early care and education, with real parent choice, available regardless of family income

- Finding appropriate high quality child care is a challenge for many families. However, those with limited financial resources face additional challenges. Lack of financial resources should not deprive any family of access to high quality linguistically, culturally and

developmentally appropriate early care and education for their children. The state should fully fund subsidies for all eligible families with no arbitrary time limits; fees should be reasonable and eligibility standards realistic. Parent choice is an essential element that is real only when parents have access to a variety of affordable high quality options.

- Access to early care and education is key to achievement and maintenance of self-sufficiency for all working families. For families connected to the welfare system, even in light of restrictive federal welfare policies, California must maintain its commitment to welfare reform policies that support parenting, offer early care and education subsidies and other supportive services, making it possible for parents to parent, work and become self-sufficient.

Give all children access to high quality programs

- Systemic inequities affect hundreds of thousands of children who face special barriers due to poverty, disability, language, geography, or other factors.
 - Develop new initiatives and make new investment to help meet the needs of those families and children facing the greatest barrier to accessing high quality early care and education.
 - Ensure that children with disabilities have equal access to early care and education programs that make reasonable accommodations to serve those children, as required by federal and state law. Parents must be informed of their rights and both parents and providers must be given the tools and support to access available services. Early screening and intervention is vital for children with special needs. Inclusive settings are vital for all children.
 - Birth to three are critical years for children's development. We must increase families' options in choosing high quality early care and education for infants and toddlers and their options for paid family leave and CalWORKs exemptions. A single system should integrate preschool initiatives with capacity building for infant and toddler programs.
 - Increase families' opportunities to obtain high quality out-of-school care by ensuring that such programs are widely available and meet the needs of children and families with particular needs such as those working nights or rotating shifts and for families with children with special needs.
 - Ensure access to linguistically and culturally appropriate care by making training and support for early care and education providers available in languages and cultural contexts that reflect California's many communities.

Value, educate, and adequately compensate the early care and education workforce

- Research shows that the single most important determinant of quality early care and education is the presence of consistent, sensitive, well-trained, and well compensated caregivers.

- Proactive efforts must be made to ensure that the child care workforce reflects the diverse face of the children and families in California and that all children have access to developmentally, linguistically and culturally competent care.
- We should support programs, such as CARES and Wages Plus, which reward the pursuit of development and training on the part of new early care and education professionals and promote retention of committed, qualified teachers. Compensation, including benefits, should be an integral part of policy discussions involving financing, and the state should commit to seeking additional resources.
- We should expand training and educational opportunities as well as ongoing support and technical assistance in the languages California residents speak; and give community and state colleges and universities sufficient resources to enable them to offer accessible training and degree programs.

Maintain and further develop a comprehensive early care and education system

- We must be conscious that further fragmentation of the child care and early education system could result from short-term budget based policy initiatives such as realignment or dilution of state standards overseen by the Department of Education. We should strengthen all aspects of the system and oppose proposals that would bifurcate it into two systems: one that is primarily a work support and one that is primarily educational.
- We should ensure that birth to five initiatives are integrated and that the early care and education and K-12 systems are coordinated to meet children's needs and ensure they are ready for school and schools are ready for them. While coordinating, it is essential that high quality early care and education should retain their fundamental focus on the whole child and culturally and developmentally appropriate practices.
- Preschool initiatives should integrate a focus on the child with the needs of working families for full day, full year care. We should ensure that all children including those in low and moderate income working families have access to preschool programs
- The statewide system should recognize regional differences and the different needs of rural and urban areas. We must provide funding and support to ensure the quality and accountability of child care providers and other contractors.
- Policy and budget decisions should recognize that early care and education is a high-growth, low-risk government investment. The licensed early care and education industry in California, including both center-based and family child care programs, generates some \$5 billion in gross receipts. It employs approximately 130,000 people¹, creating and sustaining three times more jobs than the advertising industry, more than twice as many as the lumber industry and thousands more than the accounting and legal services industries.

¹ California Early Care and Education Work Force Study: Licensed Child Care Centers and Family Child Care Providers Statewide Highlights, July 2006 at http://www.iir.berkeley.edu/cscce/pdf/statewide_highlights.pdf

Ensure access to high quality early care and education for all children

- Early care and education policy affects all children in out-of-home care, not just those receiving subsidies. Early care and education is a universal need. Many middle- and upper-income families utilize California's child care providers. Thus, any change in the subsidized early care and education system will have a ripple effect on most families using child care. Planning should engage parents, unions, and employers as well as the early care and education community.
- As the subsidized system expands, the Legislature and stakeholders should review the elements of high quality early care and education to determine its real cost and new sources of funding. The review should include system infrastructure, training, adequate reimbursement rates, fair wages and benefits, quality incentives, facilities, evaluation and monitoring and should focus on children of all ages, infants and toddlers, preschool and school age children.
- Both the Standard Reimbursement Rate and the Regional Market Rate should be examined to determine whether they are adequate to ensure the maintenance of high quality programs.
- High quality programs require state of the art facilities. Appropriate resources for repair and renovation as well as construction should be made available and public-private partnerships should be encouraged.

Develop a comprehensive planning process

- Policy makers and advocates must review California's early care and education system using a comprehensive inclusive process that occurs prior to submission of the State Plan for use of Child Care Block Grant funds in 2008. Any policy retained or changes implemented must be designed to achieve equity and grounded in an understanding of the actual impact on children and families and potential unintended consequences.
- Parents, child care teachers and providers need to be included as policy makers in all policy development and planning

Strengthen the child-centered focus of licensing and regulation

- California's foundational investment in child care is support for a system of licensing and regulation designed to protect the health and safety of children in out-of-home care. Community care licensing should be proactive rather than reactive, adequately funded and staffed by those with child safety and development expertise.
- Support for providers, including ombudspersons and advocates, should be reinstated to provide early assistance for new facilities and ongoing assistance as issues develop.
- California should review state systems and regulations. Determinations should be made whether regulations can be better aligned and streamlined while still serving their primary purpose of meeting the needs of families and children.

- California should return to being a leader when it comes to investment and effectiveness of its community care licensing system.

Seek balanced budget solutions and equitable new revenue sources

- Despite its budget crisis, California remains one of the world's largest economies, yet our child poverty rate exceeds that of other large states. California must invest in children at the level necessary to provide for all their needs, including their early care and education. Education for our children is a critical investment for our entire state.
- The Governor and Legislature should seek additional ongoing state revenue sources, including reversing recent tax cuts and/or increasing taxes. New revenues should come from those at upper income levels and businesses who can afford to pay and who have reaped the benefits of previous tax cuts, not from increased taxes or fees on the lowest-income Californians.

ACCESS, AFFORDABILITY, & ELIGIBILITY

California invests in various programs for low-income families including state preschool, the network of state contracted child care centers, and voucher-based subsidies. Eligibility is based on income; eligible families cannot earn more than 75 percent of the State Median Income (SMI). Families must also meet need requirements in order to receive most subsidies. Current and former recipients of CalWORKs, the state program providing cash assistance to the lowest income families, are eligible for child care subsidies.

The State of California spends approximately \$3 billion per year on subsidized child care for low income families, however our subsidized child care system, under-funded and with a fragile infrastructure, already has over 200,000 children on the Centralized Eligibility List not receiving the subsidies for which they are eligible. While we all wish to move towards universal access, the focus of this discussion has been low-income families, who we believe must be our first priority with investment.

2008 Long Term Goal

Maintain and effectively use current sources of funding, increase state and federal sources of funding in order to provide more appropriate access to subsidized child care based on the needs of families, especially families waiting on the centralized eligibility lists.

2008 Short Term Goals

1. Revise regulations and contracts in order to streamline system and give counties (agencies) more flexibility to reallocate funding as needed to ensure maximum use of existing funding. Secure legislative directive to make this happen potentially including a master plan; legislative audit or statewide workgroup
2. Use CCDF State Plan process to identify barriers, county best practices, and resources needed to educate parents and maximize use of funds.
3. Develop legislation with funding attached to provide support to child care system for increased inclusion of children with disabilities in child care:
 - education for parents and providers,
 - more resources and better coordination of regional centers, R&Rs, and family resource centers.
4. Develop legislation with funding attached to provide support to child care system for increased inclusion of English language learner children and their families in child care:
 - education for parents and providers,
 - more resources and better coordination of R&Rs, community groups, workforce development, K-12 school system, state and local resources.

5. Ensure that preschool efforts are integrated with and strengthen the existing early care and education system. Leverage current focus on importance of preschool to ensure entire early care and education system includes supports to address the needs of children 0 -5. Ensure that working families have access to full day, full year options integrated with preschool.

Budget and Policy Priorities Reaffirmed²

Maintain parental choice.

- Increase parent information & education.
- Increase in support and training for license-exempt providers.
- Expand resources for frontline staff working with parents & providers.

Retain and expand access.

- Stage 3 funding for former cash aid recipients should be made permanent and remain fully funded. It should have the same supports and requirements, including eligibility, as other child development programs.
- Annual investment must be made to child care to reduce the number of eligible families waiting to receive all forms of non-CalWORKs child care subsidies. New funding should be utilized and not taken from Stage 3 funding.
- Develop a more expansive definition of the term “exceptional needs” which ensures access to care for all children with disabilities up to age 21.
- Maintain local initiatives to expand the supply and increase the quality of child care.

Income eligibility should reflect current realities.

- Eligibility should be based on accurate, current data of the state median income and should be adjusted annually.
- California should adopt a more accurate methodology to determine need, such as the “self sufficiency standard” that takes into account both family size and regional living costs, not the FPL or CNI.
- Policies should be developed to help families to transition off subsidies - ending the cliff effect.

Centralized Eligibility List (CEL) agencies should help facilitate parents’ access to child care.

- Monitor implementation of the CEL to ensure families are informed and the system works for providers and parents.

² These priorities have been developed over the course of the Work Group process and were reaffirmed this year. We have deleted those which are stated in the 2008 section.

FACILITIES DEVELOPMENT & INVESTMENT

Expansion of facilities to house high quality early care and education programs is critical to California's school readiness goals, its long term education goals, crucial to the success of welfare reform, and vitally important to all working parents and families. Funds need to be made available so that facilities that promote high quality child care can be preserved and expanded for pre-school and to expand access for other underserved and vulnerable children including infants and toddlers and children with disabilities. Unlike the K-12 system, the child care sector lacks the supportive system, the capital and the technical expertise to develop and finance needed facilities. Organizations throughout California are working to build a sustainable system to support child care facility development, but there is a long way to go.

2008 Long Term Goal

Refund HCD's Child Care Facilities Financing Program (loan guarantees, direct loans for child care centers, and micro enterprise loans for family child care).

2008 Short Term Goals

1. Ensure Child Care Facilities Revolving Fund regulations are developed and with the intent of statute.
2. Support an addition to the 2008 education bond for preschool facilities for the unmet needs of four year olds that will attend API 1-3 or poverty elementary schools.

Overall Budget and Policy Priorities

Include facility funding with operating funding.

Ensure there is funding for facilities for all funded and expanded programs.

- Include resources for administering agencies to manage disbursement of funds.
- Include resources for all kinds of facilities
- Provide resources for expansion and renovation as well as for new facilities.

Provide flexibility in funding and in kinds of facilities funded.

- Increase the funding caps for individual programs.

Increase equity in funding streams and method of awarding grants to ensure that the most critical needs are being met first.

Continue to expand emphasis on extending child care into community/regional planning.

LICENSING & REGULATION

California's licensing program performs the essential governmental function of protecting the basic health and safety of all children in licensed child care. However, budget cuts and ineffective compliance procedures have resulted in a program that provides inadequate oversight and monitoring of child care facilities. Three years or more may elapse between site visits from Community Care Licensing analysts. This is hardly frequent enough to ensure minimum safety in an industry with high staff turnover. This gradual decline in the efficacy of Community Care Licensing has the attention of policymakers. New funding that leads to the hiring of new staff, a new training program and a state audit of compliance procedures is the first steps to enable CCL to restore an effective licensing program.

2008 Long Term Goal

Ensure that CCL is adequately funded and staffed to monitor current and future ECE licensed programs including:

- Annual visits
- At least 12 advocates
- Staff trained in Early Childhood Education
- Manageable case loads
- Trigger to increase monitoring as deficiencies increase
- Well integrated and aligned with
 - Laws protecting children with disabilities
 - Language Access
 - Title 5, teacher competencies and permit matrix
 - Land use, zoning and fire regulations

2008 Short Term Goals

1. CCL should be required to give local community resources to licensed providers every visit.
2. Develop a trigger that links investment and growth in licensed child facilities and providers with growth and investment in Community Care Licensing.
3. For Title 22 programs, Licensing should only accept units from accredited institutions, and courses for which the student received a grade of C or better.
4. Ensure stakeholders are at the table and have input when CCL faces changes (ex: the visit trigger).

Budget and Policy Priorities Reaffirmed³

Ensure licensing processes are consistent and fair for providers and families.

- Continue to increase communication with providers so they understand the standards expected of them.

³ These priorities have been developed over the course of the Work Group process and were reaffirmed this year. We have deleted those which are stated in the 2008 section.

- Ensure that analysts' performance evaluation is not based on the number of penalties found. Penalties should be seen as only one part of enforcement not a substitute for consistent visits.
- Create time limited licenses that must be renewed and eliminate the indefinite license that now exists. At minimum, CCL should issue a receipt which may be in the form of a new license after yearly dues are paid.

Resolve noncompliance issues in a timely and transparent manner.

- Improve follow through on the complaint resolution process.
- Improve CCL follow-up after initial visits are made.
- Increase information available to the public to assess whether CCL uses its authority to resolve noncompliance issues.
- Shorten the length of time it takes to resolve noncompliance issues.
- Require immediate consequences for all serious violations.
- Create well-defined civil penalties and eliminate discretion among licensing analysts.

The expansion of early care and education system capacity must address impact on licensing.

- Any increase in facilities and providers will have an administrative cost that should be included in budget allocations for the department, and should be taken into consideration when considering costs of new programs.
- The role of licensing in universal preschool and other quality efforts must be integrated from the planning through the implementation stages.

Licensing is an appropriate, fundamental government function and should not be privatized.

Community Care Licensing (CCL) should be proactive, with an emphasis on prevention.

So long as CCL is underfunded, it is forced to react to problems, to focus on complaints rather than prevention. A restored licensing program will result in better trained and informed providers, who will be able to comply with licensing regulations or get the support they need to do so.

- Emphasize the value of prevention by supporting providers;
- Explore effective communication between CCL and providers;

Create a seamless background check system.

- Explore the possibility of establishing one system for all care settings.
- Institute a firm timeline for processing background checks.
- Create inter-system streamlining and work to eliminate delays in processing.

PROVIDER PAYMENT & RATE STRUCTURE

The provider rate system is complex. There are two main systems, the first is the Standard Reimbursement Rate (SRR) which is the rate paid to contracted programs. The SRR is the maximum amount the state will pay per day, per-child for subsidized center-based child care programs that directly contract with the California Department of Education (CDE). The SRR is a fixed statewide rate.

Family child care homes and centers that do not have contracts are reimbursed at rates related to the private child care market. This is known as the Regional Market Rate (RMR). The RMR is based on market rate surveys that are conducted every other year. There are also several special rates including one for infants, one for children with disabilities and one for odd-hour care. When rates are too low there are negative consequences including providers subsidizing the cost of care themselves, providers ceasing to care for children in the subsidized system, family child care homes and centers going out of business, or providers passing the increased costs on to parents.

2008 Long Term Goal

Increase reimbursement rates to reflect the true cost of care to be defined using various factors.

2008 Short Term Goals

1. Explore the feasibility of an electronic payment system (state to contractor, contractor to provider) with CDD, state IT, Contracts, Audits.
2. Bring the field together to create a vision of how to develop a Quality Rating System.
3. Pull together information to determine the true cost of care, including administrative costs.
4. Identify factors that unnecessarily complicate or bifurcate the reimbursement system; develop solutions and strategy for implementing solutions

Budget and Policy Priorities Reaffirmed ⁴

Implement one reimbursement structure for all subsidized programs. The single reimbursement structure should:

- Simplify the reporting and other requirements.
- Differentiate between licensed and unlicensed providers.
- Use the true cost of care as a basis for establishing the rate.
- Take into account:
 - Regional cost differences using the county level as the smallest possible region
 - Program requirements

⁴ These priorities have been developed over the course of the Work Group process and were reaffirmed this year. We have deleted those which are stated in the 2008 section.

- Different cost due to age of the child, special needs, etc.

Bring the field together to create a vision for how a Quality Rating System should be developed and implemented. The group should:

- Review state systems.
- Review research and best practices.
- Establish cost of developing and implementing a Quality Rating System.
- Determine which elements must be included in a Quality Rating System including:
 - Appropriate environment for children
 - Staff Competencies
 - Parent involvement

Explore whether an electronic payment system is feasible.

- Include both the payments between the state and the contractor and the payment between the contractor and the provider.

Continue to enhance the effectiveness of the current system until a single reimbursement structure is created.

Standard Reimbursement Rate (SRR), Provider Payment:

- Rebench the SRR to reflect the actual cost of care (Title 5 standards) and require mandatory annual COLAs.
- Increase the SRR based on any new program mandates and quality requirements.
- Explore using unearned and yielded contract funds to increase the SRR.
- Update parent eligibility standards.
- Allow flexibility across contract types.
- Review restrictions that make administration of contracts challenging.

Regional Market Rate (RMR):

- Conduct an independent analysis of the methodology for current and potential use.
- Simplify the administration of the RMR.

Quality Rating System (QRS):

- Connect ratings to licensing but monitor through a separate organization.
- Licensing requirements should be the baseline of any quality rating system.
- Any QRS must incorporate adequate resources (incentives) and an infrastructure to improve quality.
- QRS should include: Input from the field, review of existing state systems, research & best practice review.

STAFF COMPENSATION, PROFESSIONAL DEVELOPMENT & RETENTION

Quality child care requires well-trained and well-paid child care staff. Child care staff need to earn a living wage and receive full benefits to achieve economic self-sufficiency. The child care industry is plagued by high turnover rates, which create instability for young children and deprive children of the quality they deserve. Most parents are unable to afford the full cost of quality child care; meaning that additional funds are needed to bridge the gap between the fees parents pay and the wages that early childhood educators receive. We need to further define staff competencies and build educational capacity and support so that our dedicated work force can access education and other assistance.

2008 Long Term Goal

Reach parity with K-12 teacher pay for the ECE workforce, by integrating public and employer financing of child care with family payments.

2008 Short Term Goals

1. Build awareness and advocacy to re-fund the CARES program, and to preserve AB212 funding. Add to last year's goals on this topic: ongoing support for other professional development opportunities in the field, including the California Early Childhood Mentor Program, and the Child Development Training Consortium (CDTC).
2. ECE competencies: Ensure ongoing input and review from the field as competencies are developed, especially from teachers and providers and from higher education faculty. Such input should include public meetings or focus groups; not online only.
3. For Title 22 programs, Licensing should only accept units from accredited institutions, and courses for which the student received a grade of C or better.

Budget and Policy Priorities Reaffirmed⁵

- Professional standards and compensation for the ECE workforce should be comparable to that for K-12 teachers, with an appropriate career ladder and extensive professional supports to maintain workforce diversity.
 - A career ladder with steps leading to a BA+credential should be in place to permit early childhood educators to increase their education incrementally and to receive improvements in compensation as they do so.
 - The content of educational experiences for the ECE workforce should be appropriate for the ages of children in care, infants through school age.
 - Extensive supports need to be in place to permit the existing workforce to access education. These include fee and textbook reimbursement, evening/weekend classes, geographically accessible community-based classes for credit, tutoring/cohort support for General Education classes, adequate college

⁵ These priorities have been developed over the course of the Work Group process and were reaffirmed this year. We have deleted those which are stated in the 2008 section.

counseling, and increased number and variety of credit-bearing courses. These measures will help to maintain the current diverse workforce.

- Support the California Community College Early Childhood Alignment Project (CCCECAP), which is developing a statewide lower-division, teacher preparation “Program of Study” in a consistent 24-unit core. This is a collaborative project currently being undertaken by the state association of community college ECE instructors in connection with this project.
 - Urge the Legislature to legislate and fund statewide coordination across ECE higher education systems (community colleges, CSUs, UC, private institutions), focusing on the issues of student access, student support, and articulation and transfer, resulting in a more coherent and accessible professional development system for ECE teacher preparation.
- State funding and policymaking is needed to support articulation between two-year colleges and universities.
- Recognize the importance of alternatives, including community-based training linked to a career ladder.
- Develop an ECE credential that is linked to an overhauled Child Development Permit to create a pathway to higher education for the ECE workforce.
- Coordinate CARES and AB212 goals and application processes to create a seamless program for participants and continue to fund and integrate both programs past their currently scheduled expiration in 2008.
- Encourage institutions of higher education throughout the state to promote language supports and classes for students who are learning English as a second language.
- Explore the use of a Quality Rating System, including defining the term “quality.”
- Define ECE teacher competencies, as the basis for a revamped ECE teacher credentialing system—including cultural and linguistic competency, and developmentally appropriate practice.
- Monitor the Governor’s health care plan to ensure it will benefit the ECE workforce.
- Link teacher/provider compensation with education and training:
 - Consider wider adoption of successful local models such as San Francisco’s Wages Plus program.
 - Continue the study of star rating or quality rating systems (e.g., what other states have done) even if not currently feasible in California.
 - Seek a reimbursement rate increase targeted to compensation.

FINANCING & SYSTEMIC ISSUES

California has many strong child care programs from which we can build, but the system has grown and evolved without long-term comprehensive planning. Real reform cannot be based on a shortsighted, fiscally-based approach to the well-being and development of our children. Changes to strengthen the system should be based on a comprehensive, inclusive planning process. This process should look at all aspects of early care and education from the viewpoint of children and their families. This review needs to determine the true cost of quality care, which cannot be determined by focusing on the State's fiscal constraints. Rather than simply accepting the current under-funded system, we should explore increasing revenue to meet the needs of all of our children.

2008 Long Term Goal

Fully fund child care for all eligible children.

2008 Short Term Goals

1. Reform and increase SRR.
2. Increase program flexibility to meet local needs, eliminate contract barriers (such as braiding funding streams and providing incentive to raise third party funds).
3. Move from earned contracts to direct grants, as Head Start operates.
4. Expand and fully access federal funds.
5. Improve data for planning and understanding demand.

Budget and Policy Priorities Reaffirmed ⁶

Maintain and expand an integrated early care and education/preschool/school readiness system with adequate resources.

- Early care and education initiatives should build on the existing system.
- Every family should have access to appropriate care and education via a system that serves all children from birth and takes into account socioeconomic disparities, access for children with special needs, and access to culturally and linguistically appropriate care.
- California's current child care system is designed both to meet the needs of children and to support working families. We should strengthen all aspects of the system and oppose proposals that would further fragment or bifurcate it.
- Ensure that California and every county receive the resources they deserve. Remove barriers at the state and county level to promote effective utilization of resources and make sure that no new funding is returned while our system is under-funded.

⁶ These priorities have been developed over the course of the Work Group process and were reaffirmed this year. We have deleted those which are stated in the 2008 section.

Develop a comprehensive planning process.

- California needs a comprehensive planning process including a focus on preschool, infant care, and the needs of working families, English language learners and children with special needs.
- Planning should look at child development from early care and education best practices, not simply importing the K-12 model. The process should include representatives of all programs, age groups and communities.
- Continue efforts to ensure meaningful planning and public participation in the 2009-2010 State Plan.

Ensure adequate funding for the early care and education system.

- We should seek new continuous sources of funding that are adequate, effective and on-going.
 - Support progressive resources and taxes including a reversal of Proposition 13 tax relief for commercial property.
 - Do not reduce other programs for children and/or working families to fund early care and education.
 - Maintain early care and education in Proposition 98 funding and maintain the current balance.
- We should adequately fund the state and local child care infrastructure, including resource and referral agencies, local planning councils, as well as California Department of Education and Department of Social Services oversight.
- No low-income families or providers should be cut as a way to finance the system.
- We must invest and develop family and child-centered policies in response to the increased work requirements required by the 2006 federal TANF reauthorization.
- Increase the Standard Reimbursement Rate.

We must ensure that families and children have access to comprehensive services.

- We should work with other groups to expand all children's access to basic services and to create linkages among them. These services include health care, housing, nutrition, foster care and child protective services, and other vital child and family supports.
- Child care providers and advocates must work collaboratively with other service providers to make comprehensive services available and learn from the model of Head Start.
- Services to immigrant families and children should be maintained and expanded.
- Family income must be sufficient to meet children's basic needs, as measured by self-sufficiency standards. Furthermore, CalWORKs benefits should not be cut.

Child Care Law Center's role in this process would not have been possible without the generous ongoing support of the David and Lucile Packard Foundation, the Miriam & Peter Haas Fund, Trio Foundation, The San Francisco Foundation and The Evelyn & Walter Haas, Jr. Fund. We also wish to acknowledge Susan Colson for her excellent facilitation of several of the Work Group meetings.

The full 2008 Work Group Report is available at www.childcarelaw.org. To order copies, join our email list, or discuss this report, please contact:

Child Care Law Center
221 Pine Street, 3rd Floor
San Francisco, CA 94104
(415) 394-7144
info@childcarelaw.org
www.childcarelaw.org